



U.S. Department of Justice

Ronald C. Machen Jr.
*United States Attorney for the
District of Columbia*

*Judiciary Center
555 Fourth St. N.W.
Washington, D.C. 20530*

PRESS RELEASE

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For Information Contact:

Public Affairs

(202) 252-6933

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Florida Man Sentenced to One Year in Prison For Defrauding Company - Defendant Used Aliases to Cheat Firm of \$26,000 -

WASHINGTON - Paul C. Harary, 46, of Boca Raton, Fla., was sentenced today to 12 months and one day of incarceration for orchestrating a scheme to defraud the chief executive officer of a publicly traded company of \$26,000, announced U.S. Attorney Ronald C. Machen Jr., James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office, and Daniel S. Cortez, Inspector in Charge, Washington Division, U.S. Postal Inspection Service.

Harary pled guilty in June 2011 in the U.S. District Court for the District of Columbia to a charge of wire fraud. He was sentenced by the Honorable Henry H. Kennedy, Jr. The judge also ordered Harary to pay restitution of \$26,000 and forfeiture in the same amount. Upon completion of his prison term, Harary will be placed on three years of supervised release.

According to a statement of offense agreed to by the government and defendant, Harary devised and carried out a scheme to defraud a publicly traded company, identified in court documents, as "Company X," and the company's chief executive officer. The company, based in Nevada, is in the business of the exploration of precious metals.

In or about August 2009, Harary, using an alias, entered into an agreement to provide investor relations services to the CEO of Company X. At the time Harary entered into the agreement, Harary had pled guilty to conspiracy to commit mail and wire fraud in connection with his role involving two publically traded companies and was pending sentencing before a federal court in Washington, D.C. As a result of Harary's failure to disclose to the CEO who Harary really was, Harary hid from the CEO his guilty plea and pending sentencing.

The scheme began to unravel in November 2009 when Harary was taken into custody in connection with the other criminal case. In that case, Harary ultimately was sentenced to five years in prison and ordered to pay restitution of \$3.8 million along with other co-conspirators.

While in jail in Washington, D.C., Harary had a telephone conversation with an individual in Boca Raton. He instructed that person to use another alias to send an electronic mail communication to the CEO stating that Harary's alias had been killed in an accident. Harary did this so that he could keep the \$26,000 for his own use and benefit.

In announcing the sentence, U.S. Attorney Machen, Assistant Director McJunkin and Inspector in Charge Cortez praised the investigative efforts of the Special Agents of the FBI's Washington Field Office and the United States Postal Inspection Service and also recognized the work of U.S. Attorney's Office Paralegal Specialist Diane Hayes and Legal Assistant Krishawn Graham. Finally, they commended the efforts of Assistant U.S. Attorney Vasu Muthyala and former Assistant U.S. Attorney John Griffith, who prosecuted this case.

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